



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2011 Biennium

Bill #	HB0535	Title:	Require bonding for certain gas wells
Primary Sponsor:	Stahl, Wayne	Status:	As Introduced

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>	<u>FY 2012 Difference</u>	<u>FY 2013 Difference</u>
Expenditures:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$8,686	\$8,418	\$0	\$0
Revenue:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance:	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact:

Under HB 535, the Board of Oil and Gas Conservation (BOGC) will have rulemaking requirements.

FISCAL ANALYSIS

Assumptions:

Department of Natural Resources and Conservation

Board of Oil and Gas

1. The BOGC will meet twice in FY 2010 (two days each meeting) to determine HB 535 rules. Costs would be \$6,886 for BOGC members (per diem – \$1,400; mileage – \$3,464; lodging/meals – \$2,022). Helena staff travel costs would be \$1,800.
2. One, one-day board hearing in FY 2011 will be held for public hearing on the proposed rules. Costs would be \$3,443 for BOGC members (per diem – \$700; mileage – \$1,732; lodging/meals – \$1,011). Helena staff travel costs would be \$900.
3. Costs for two publications in the Montana Administrative Register in FY 2011, at approximately \$200 each, would be \$400.
4. Costs for two board publications in newspapers in FY 2011, at approximately \$1,000 per publication, would be \$2,000.

5. 700 copies of replacement pages for the BOGC rulebook would be printed in FY 2011, at approximately \$1.25 per page, for a total of \$875.
6. Postage to mail 400 sets of replacement pages in FY 2011 at \$2.00 per envelope would be \$800.
7. There is no revenue associated with this bill. Associated costs would come from the Oil and Gas Regulatory Account fund balance.

	<u>FY 2010</u> <u>Difference</u>	<u>FY 2011</u> <u>Difference</u>	<u>FY 2012</u> <u>Difference</u>	<u>FY 2013</u> <u>Difference</u>
<u>Fiscal Impact:</u>				
<u>Expenditures:</u>				
Personal Services	\$1,400	\$700	\$0	\$0
Operating Expenses	\$7,286	\$7,718	\$0	\$0
TOTAL Expenditures	\$8,686	\$8,418	\$0	\$0
<u>Funding of Expenditures:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$8,686	\$8,418	\$0	\$0
TOTAL Funding of Exp.	\$8,686	\$8,418	\$0	\$0
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$0	\$0	\$0	\$0
TOTAL Revenues	\$0	\$0	\$0	\$0
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	(\$8,686)	(\$8,418)	\$0	\$0

*Sponsor's Initials*_____
*Date*_____
*Budget Director's Initials*_____
Date